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Globalization and interdependence: development cooperation with middle income countries

Ecuador:* draft resolution

Development cooperation with middle-income countries

The General Assembly,

Recalling the outcomes of all the major United Nations conferences and summits in the economic, social, environmental and related fields,

Reaffirming its resolution 70/1 of 25 September 2015, entitled "Transforming our world: the 2030 Agenda for Sustainable Development", in which it adopted a comprehensive, far-reaching and people-centred set of universal and transformative Sustainable Development Goals and targets, its commitment to working tirelessly for the full implementation of this Agenda by 2030, its recognition that eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development, its commitment to achieving sustainable development in its three dimensions — economic, social and environmental — in a balanced and integrated manner, and to building upon the achievements of the Millennium Development Goals and seeking to address their unfinished business,

Reaffirming also its resolution 69/313 of 27 July 2015 on the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, which is an integral part of the 2030 Agenda for Sustainable Development, supports and complements it, helps to contextualize its means of implementation targets with concrete policies and actions, and reaffirms the strong political commitment to address the challenge of financing and creating an enabling environment at all levels for sustainable development in the spirit of global partnership and solidarity,

Welcoming the Paris Agreement adopted under the United Nations Framework Convention on Climate Change,[1] and its early entry into force, encouraging all its parties to fully implement the Agreement, and all parties to the United Nations

* On behalf of the States Members of the United Nations that are members of the Group of 77 and China.

[1] See FCCC/CP/2015/10/Add.1, decision 1/CP.21, annex.

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Framework Convention on Climate Change[2] that have not yet done so to deposit their instruments of ratification, acceptance, approval or accession, where appropriate, as soon as possible,

Welcoming also the successful conclusion of the United Nations Conference on Housing and Sustainable Urban Development (Habitat III), held in Quito from 17 to 20 October 2016 and the adoption of the New Urban Agenda,[3]

Recalling that the 2030 Agenda for Sustainable Development recognizes, inter alia, that middle-income countries still face significant challenges to achieve sustainable development and that, in order to ensure that achievements made to date are sustained, efforts to address ongoing challenges should be strengthened through the exchange of experiences, improved coordination and better and focused support of the United Nations development system, the international financial institutions, regional organizations and other stakeholders,

Reaffirming its resolution 71/243 of 21 December 2016, entitled "Quadrennial comprehensive policy review of operational activities for development of the United Nations system", in which it recognized that middle-income countries still face specific development challenges,

Recalling its resolutions 63/223 of 19 December 2008, 64/208 of 21 December 2009, 66/212 of 22 December 2011, 68/222 of 20 December 2013 and 70/215 of 22 December 2015,

Taking note of the outcomes of the international conferences on development cooperation with middle-income countries held in Madrid on 1 and 2 March 2007,[4] in San Salvador on 3 and 4 October 2007,[5] in Windhoek from 4 to 6 August 2008[6] and in San José from 12 to 14 June 2013,[7]

Noting the regional conferences on development cooperation with middle-income countries held in Cairo on 11 and 12 March 2008, in Minsk on 16 and 17 May 2013, in Amman on 23 May 2013 and in Minsk on 23 and 24 April 2015,

Emphasizing that cohesive, nationally owned sustainable development strategies, supported by integrated national financing frameworks, will be at the heart of efforts by States, reiterating that each country has primary responsibility for its own economic and social development and that the role of national policies and development strategies cannot be overemphasized, highlighting the need to respect each country's policy space and leadership in the implementation of policies for poverty eradication and sustainable development while remaining consistent with relevant international rules and commitments, recognizing that national development efforts need to be supported by an enabling international economic environment, including coherent and mutually supporting world trade, monetary and financial systems and strengthened and enhanced global economic governance, and highlighting the fact that processes to develop and facilitate the availability of appropriate knowledge and technologies globally, as well as capacity-building, are also critical, including pursuing policy coherence and an enabling environment for sustainable development at all levels and by all actors and reinvigorating the global partnership for sustainable development,

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[2] United Nations, *Treaty Series*, vol. 1771, No. 30822.
[3] Resolution 71/256, annex.
[4] See A/62/71-E/2007/46, annex.
[5] See A/62/483-E/2007/90, annex.
[6] See A/C.2/63/3, annexes I and II.
[7] See A/C.2/68/5.

Reaffirming that the fundamental characteristics of the operational activities for development of the United Nations system should be, inter alia, their universal, voluntary and grant nature, their neutrality and their multilateralism, as well as their ability to respond to the development needs of programme countries in a flexible manner, and that the operational activities are carried out for the benefit of programme countries, at their request and in accordance with their own policies and priorities for development,

Recognizing the need for the United Nations development system to provide better and focused support to middle-income countries in addressing their significant challenges, in accordance with national circumstances and taking into account the diversity of middle-income countries,

Emphasizing that there is no "one size fits all" approach to development and that development assistance by the United Nations development system should respond to the varying development needs of programme countries, including the development needs of middle-income countries, and should be aligned with their national development plans and strategies in accordance with its mandates, keeping in mind the needs of the least developed countries,

Highlighting that processes to develop and facilitate the availability of appropriate knowledge and technologies in developing countries, including middle-income countries, as well as capacity-building, are also critical for the achievement of the 2030 Agenda for Sustainable Development,

Noting that national averages based on criteria such as per capita income do not always reflect the actual particularities and development needs of middle-income countries and that, despite notable reductions in poverty, middle-income countries are still home to 73 per cent of the world's people living in poverty and inequalities remain,

Recalling that, despite notable progress in reducing poverty levels in both absolute and relative terms, poverty remains a problem in many middle-income countries, that further investment in social services and economic opportunities are needed in order to reduce those inequalities and that high levels of inequality, or even a rise in inequality, remains pervasive in middle-income countries, even in those economies with high levels of economic growth,

Recognizing that high degrees of inequality may contribute to vulnerability in middle-income countries and constrain sustainable development in many of those countries, and that economic growth needs to be sustained, inclusive and equitable,

Stressing that middle-income countries continue to face particular challenges related to, inter alia, job creation, the diversification and transformation of their economies and access to international markets and, in this regard, that efforts to create a national enabling environment for development should be complemented by a global enabling environment,

Noting with concern that access to concessional finance is reduced as national incomes grow, and that, in such circumstances, countries may not be able to access sufficient affordable financing from other sources to meet their needs,

Recalling the resolve of States to enhance and strengthen domestic resource mobilization and fiscal space, including, where appropriate, through modernized tax systems, more efficient tax collection, the broadening of the tax base and the effective combating of tax evasion and capital flight, and reiterating that, while each country is responsible for its tax system, it is important to support national efforts in these areas by strengthening technical assistance and enhancing international cooperation and participation in addressing international tax matters,

Recognizing the need to better understand the multidimensional nature of development and poverty, and acknowledging the significant role that the United Nations system has played and should continue to play in this regard,

Expressing concern that climate change is also increasingly becoming a determinant of productivity in middle-income countries, as extreme weather shocks directly affect productivity through the destruction of infrastructure and labour force displacement, and that a number of middle-income countries have sizeable sectors that are exposed to climate change, such as agriculture, construction, mining, tourism and transport,

Reaffirming that achieving gender equality, empowering all women and girls, and the full realization of their human rights are essential to achieving sustained, inclusive and equitable economic growth and sustainable development, and in that regard reiterating the need for gender mainstreaming, including targeted actions and investments in the formulation and implementation of all financial, economic, environmental and social policies,

Stressing that public debt for middle-income countries increased in the period from 2015 to 2017, that the ratio of public debt to gross domestic product for these countries increased from around 48 per cent in 2015 to a projected 51 per cent in 2017 and that higher public debt levels may have an adverse impact on the fiscal space needed to address the challenges to sustainable development,

Expressing concern about the adverse impact and consequences of the world financial and economic crisis, including on development, and evidence of an uneven, fragile and slow recovery, cognizant that the global economy, notwithstanding significant efforts that helped to contain tail risks, improve financial market conditions and stability and sustain recovery, still remains in a challenging phase, with downside risks, including high volatility in global markets, falling commodity prices, high unemployment, particularly among young people, unsustainable debt in some countries and widespread fiscal strains, which pose challenges for global economic recovery and reflect the need for additional progress towards sustaining and rebalancing global demand, and stressing the need for continuing efforts to address systemic fragilities and imbalances and to reform and strengthen the international financial system while implementing the reforms agreed upon to date,

Stressing the importance of inclusiveness within the United Nations development system and that no country and no one is left behind in the implementation of the present resolution,

1. *Takes note* of the report of the Secretary-General;[8]

2. *Acknowledges* the efforts made and successes achieved by many middle-income countries in eradicating poverty and achieving the internationally agreed development goals, including the Millennium Development Goals, as well as their significant contribution to global and regional development and economic stability;

3. *Also acknowledges* that identifying structural gaps can improve the understanding of development needs of developing countries, including middle-income countries;

4. *Underlines* the need for sustained efforts towards achieving debt sustainability in middle-income countries in order to avoid a debt crisis, and, to that end, notes, and encourages, further efforts by international financial institutions to enhance facilities to support them;

[8] A/72/329.

5. *Recognizes* that middle-income countries still face significant challenges in their efforts to achieve the internationally agreed development goals, including the Sustainable Development Goals, as established in the 2030 Agenda for Sustainable Development,[9] and the unfinished business of the Millennium Development Goals, and in that regard underlines the importance of international support, in various forms, that is well aligned with national priorities to address the development needs of middle-income countries, including through capacity-building;

6. *Also recognizes* that, with 73 per cent of the world's poor population concentrated in middle-income countries, cooperation aimed at those countries can have a multiplying effect by contributing significantly to the achievement of the internationally agreed development goals, including the Sustainable Development Goals;

7. *Welcomes* the solidarity of middle-income countries with other developing countries, in particular the financial, technical, technology transfer and capacity-building support being provided by middle-income countries, particularly to the least developed countries, through South-South and triangular cooperation, while stressing that South-South cooperation is a complement to, and not a substitute for, North-South cooperation, and in this regard calls upon the United Nations development system to continue its ongoing efforts to mainstream support to South-South cooperation and triangular cooperation;

8. *Decides* to enhance North-South, South-South and triangular, regional and international cooperation on, and access to, science, technology and innovation and to enhance knowledge-sharing on mutually agreed terms, including through improved coordination among existing mechanisms, in particular at the United Nations level, and through the Technology Facilitation Mechanism, and to promote the development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed;

9. *Requests* the United Nations development system to ensure that it addresses the diverse development needs of middle-income countries in a coordinated manner through, inter alia, an accurate assessment of the national priorities and needs of these countries, taking into account the use of variables that go beyond per capita income criteria;

10. *Calls upon* the United Nations development system to continue to support developing countries in their efforts to achieve the internationally agreed development goals and their development objectives, and requests the development system to address the special challenges facing the most vulnerable countries, as well as the specific challenges facing the middle-income countries, taking into account different national realities, capacities and levels of development and respecting national policies and priorities, in line with the Addis Ababa Action Agenda of the Third International Conference on Financing for Development[10] and the 2030 Agenda for Sustainable Development, and in this regard requests the Secretary-General to report on the outcomes of existing strategies within the United Nations development system related to middle income countries;

11. *Calls upon* developed countries and developing countries members of the World Trade Organization declaring themselves in a position to do so to realize the timely implementation of duty-free and quota-free market access on a lasting basis for all products originating from all the least developed countries, consistent with

[9] Resolution 70/1.

[10] Resolution 69/313, annex.

the decisions of the World Trade Organization, and also calls upon those countries to take steps to facilitate market access for products of the least developed countries, including by developing simple and transparent rules of origin applicable to imports from the least developed countries, in accordance with the guidelines adopted by the members of the World Trade Organization at its Ninth Ministerial Conference, held in Bali, Indonesia, from 3 to 7 December 2013;

12. *Recognizes* the importance of the role of the private sector, as well as of the role of public-private partnerships, in meeting the challenges of sustainable development for middle-income countries and other developing countries;

13. *Welcomes* the launch of the Technology Facilitation Mechanism at the United Nations summit for the adoption of the post-2015 development agenda, welcomes in this regard the convening of the first and second annual multi-stakeholder forums on science, technology and innovation for the Sustainable Development Goals, which took place on 6 and 7 June 2016 and on 15 and 16 May 2017 at United Nations Headquarters, as well as the mapping exercise carried out by the United Nations inter-agency task team on science, technology and innovation for the Sustainable Development Goals, and calls for voluntary contributions for resources to support the full operationalization of all components of the Technology Facilitation Mechanism;

14. *Recognizes* the great importance of providing trade-related capacity-building for developing countries, including African countries, the least developed countries, landlocked developing countries, small island developing States and middle-income countries, including for the promotion of regional economic integration and interconnectivity;

15. *Also recognizes* that middle-income countries still face significant challenges in achieving sustainable development and that, in order to ensure that achievements made to date are sustained, efforts to address ongoing challenges should be strengthened through the exchange of experiences, improved coordination and better and focused support of the United Nations development system, the international financial institutions, regional organizations and other stakeholders, requests those stakeholders to ensure that the diverse and specific development needs of middle-income countries are appropriately considered and addressed, in a tailored fashion, in their relevant strategies and policies, with a view to promoting a coherent and comprehensive approach towards individual countries, and acknowledges that official development assistance and other forms of concessional financing are still important for a number of these countries and have a role to play in achieving targeted results, taking into account the specific needs of these countries;

16. *Encourages* shareholders in multilateral development banks to develop graduation policies that are sequenced, phased and gradual and to explore ways to ensure that their assistance best addresses the opportunities and challenges presented by the diverse circumstances of middle-income countries;

17. *Recognizes* that Governments will have the primary responsibility for follow-up and review at the national, regional and global levels in relation to the progress made in implementing the Sustainable Development Goals and targets and that quality, accessible, timely and reliable disaggregated data will be needed to help with the measurement of progress and to ensure that no one is left behind, and in this regard reiterates the commitment to intensify efforts to strengthen statistical capacities in developing countries, including middle-income countries;

18. *Recalls* paragraph 11 of its resolution 67/290 of 9 July 2013, and stresses that the concerns and specific challenges of middle-income countries should be